

MOTION BY SUPERVISORS ZEV YAROSLAVSKY
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As part of the State’s efforts to balance its budget, reduce waste, streamline government, and increase available funding for core local governmental services—such as providing police and fire protection, and ensuring that roads are paved, libraries are kept open, and high-quality education is provided to California’s youth—the State legislature and the Governor eliminated redevelopment agencies by approving ABx1 26. In a landmark ruling just before the New Year, the California Supreme Court upheld this bill and invalidated other legislation, thereby establishing February 1, 2012 as the date that all redevelopment agencies in California will be dissolved. The intent of ABx1 26 was to, among other goals, 1) expeditiously wind down the affairs of the dissolved redevelopment agencies; 2) reduce the liabilities of the successor agencies; 3) maximize the money available to local governments to provide core services; and, 4) prevent redevelopment agencies, or their host jurisdictions, from undermining these critical statewide policy goals.

Following the California Supreme Court’s decision upholding ABx1 26, counties, cities, school districts, and other local governments throughout the State have the duty to responsibly adjust to the new reality, and ensure a smooth transition for everyone

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involved.

To that end, the County of Los Angeles should first begin creating the processes that will be necessary to ensure that all existing affordable housing assets, functions and powers will be administered without interruption once the county's own redevelopment agency is dissolved. The most readily available expertise to carry out this important task currently exists within the Housing Authority of the County of Los Angeles (HACoLA). The County should therefore take all the required steps to formally transfer these responsibilities to HACoLA. Inclusive within this task, County Counsel, in conjunction with HACoLA and the CEO, should determine whether funding already transferred to HACoLA pursuant to Government Code 65584.3 and related contractual obligations, may lawfully be expended for affordable and special needs housing developments.

Second, the County must identify the necessary staffing resources to carry out its statutory role as successor agency of the County's redevelopment agency. Within 30 days, the CEO should therefore identify which department or other agency should be assigned this day to day responsibility, prepare any required resolutions or other technical documents necessary to implement this recommendation, and report back to this Board. Given the existing expertise in the CDC, and the scope of the ABx1 26 responsibilities that will necessarily be undertaken by the CEO and other county departments, the CEO should strongly consider assigning these responsibilities to the CDC so that a manageable distribution of the workload is achieved. This report should also include an analysis of labor relations issues and any funding transfers that will be needed to effectuate the succession plan.

Third, given the immense statutory responsibilities imposed on the County Auditor-Controller by ABx1 26, and the fact that County Auditors throughout California will necessarily play a key role in ensuring that the processes established by ABx1 26 will be implemented honestly and transparently, the CEO, in conjunction with the Auditor-Controller, should immediately ensure that all required in-house and / or contract resources that will be required to carry out her vital role under ABx1 26 are provided to this effort.

Fourth, the Board of Supervisors, the County Superintendent of Education, and a number of special districts within the county will each be responsible for making at least one—and often two—appointments to each of an estimated 71 Oversight Boards before May 1, 2012. Given the number of appointments that will be required, the CEO, in conjunction with the Auditor-Controller, the County Superintendent of Education, and all special district representatives who will have to make an appointment under the terms of ABx1 26 should immediately develop a mechanism so that they, and this Board, are prepared to make all of the required appointments prior to the statutory deadline. A report on the recommended appointment mechanism should be provided to the Board of Supervisors no later than February 7th.

Finally, given the rapidly evolving nature of this implementation effort, the Executive Officer of the Board of Supervisors should place a set item on the Board of Supervisors agenda that would allow the Board to take any required actions with respect to the implementation of ABx1 26.

WE, THEREFORE, MOVE that the Board of Supervisors:

- 1) Direct the CEO, in conjunction with the CDC / HACoLA and County Counsel,

to take all required steps to formally transfer all existing affordable housing assets, functions, and powers held by the redevelopment agency from the redevelopment agency to HACoLA within the next 14 days.

2) Direct County Counsel, in conjunction with HACoLA and the CEO, to determine within the next 7 days whether funding that was already transferred to HACoLA pursuant to Government Code 65584.3 and related contractual obligations may be expended for affordable and special needs housing developments, and, assuming it is found to be defensible, take all actions necessary to support this expenditure.

3) Direct the CEO to, within the next 30 days, a) report back to the Board with a recommendation as to whether the CDC should be made the agent responsible for day-to-day implementation of the County's statutory role as successor agency of the County's redevelopment agency; and, b) prepare any required resolutions or other technical documents necessary to implement this recommendation.

4) Direct the CEO and the Auditor Controller to immediately identify and procure all in-house and / or contract resources that will be required to carry out the Auditor-Controller's role under ABx1 26 and begin carrying out these tasks without delay;

5) Direct the CEO, in conjunction with the Auditor-Controller, the County Superintendent of Education, and all special district representatives who will have to make an appointment under the terms of ABx1 26, to report back to the Board of Supervisors no later than February 7th with a recommended mechanism for making these appointments;

6) Direct the Executive Office of the Board of Supervisors to place a set item on

the Board of Supervisors agenda each week until further notice that will allow the Board to take any required actions with respect to the implementation of ABx1 26 and related matters; and,

7) Direct the CEO to coordinate these actions among all departments, agencies, and special districts that report to either the Board of Supervisors or the CEO, and take all other actions which are needed to successfully implement the requirements and goals of ABx1 26.

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